

The BPA Option

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Presentation Overview

- Who We Are
- What We Do
- When Do We Respond
- How We Do It
- How to Access BPA
- Typical Relationships

BPA – Who We Are

- Only self-funded DOE power marketing administration
- A federal agency & utility (>\$4 billion sales)
- Congressional direction to encourage energy efficiency and provide energy efficiency services for federal agencies, including third party non-recourse project financing

What We Do

- Support FEMP and “Greening the Government” goals
- Act as a catalyst, facilitator and aggregator
- “Make a Difference” for federal agencies
- Help overcome barriers to project implementation
- “Grow the Pie” for private businesses
- Provide support only where all stakeholders welcome BPA participation

What We Do

- Perform Government functions (serving as an extension of the ordering agency’s staff)
- Provide support on an actual costs only, cost reimbursable basis

When Do We Respond

- When conventional options are not economic
- When conventional options are not available or viable
- When requested by project stakeholders (agency, local utility and/or energy services company)

Types of Federal Project Support

- Technical support (in western USA)
 - Project definition
 - Metering, controls
 - Bulk purchasing
 - Project implementation
 - M&V
 - Rebate management
- Financing support (nationwide)
 - \$100K to \$100M per project
- Combined project financing and technical support
 - In the western USA only

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Program Pace

- Began providing technical support in June 1995, project financing support started in January 1998
- In recent years, ~50 technical support projects/yr, totaling \$7M-\$20M annually (96-98% pass-through)
- In 2003, ~10 financing orders expected, delivering ~\$65M of project financing

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How We Do It

- Aggregate agency financing needs
- Compete pools of financing requirements
- If stakeholders are agreeable, provide buyout or buy-down financing to produce new working capital for additional energy efficiency, renewables, etc.

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How We Do It

- Project content (can include new construction, sewers, fuel switching, irrigation, CHP, wind, etc.) as long as the core content is energy efficiency, renewables, etc.
- Bundling different measures (e.g., energy/water efficiency with renewables or distributed generation)
- Repayment sources can vary
- Payment terms of various duration (usually 5-15 yrs)
- Can mix financing with other funds

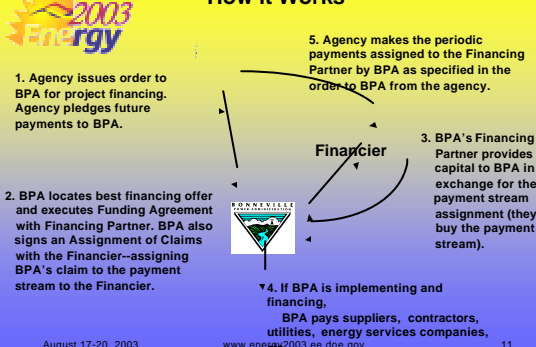
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BPA-Facilitated Private Source Financing-

How it works



How to Access BPA

- BPA receives project orders through site specific, regional and national BOAs, MOAs, intergovernmental contracts, and interagency agreements
- Civilian agencies and DOD can access BPA as a federal agency providing utility services under FAR 41
- DOD installations can also access BPA as a utility under 10 USC 2865(d)
- Civilian agencies and DOD installations may also use 42 USC 8256(c) to access BPA

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Typical Relationships

- Agency orders and obtains financing from BPA
- Agency implements project using a GSA areawide or a BOA with the local utility, or
- Agency implements with an ESCO using the GSA FSS or an agency procurement
- In the western USA, agencies may order financing and implementation from BPA; if so, BPA accesses the local utility or competitively procures an ESCO



How to Learn More - Contacts

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